RADIO FACTS

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Radio Advertising Bureau, Inc.

USING "RADIO FACTS"

Radio Facts is a comprehensive, statistical overview of the commercial radio industry in the United States. Compiled by the Radio Advertising Bureau (RAB), the sales and marketing arm of the industry representing 8200 commercial stations, networks, and station representatives, this series of graphics is designed for easy use in making advertising decisions.

As presented the latest available data from a variety of sources can be used to:

- Get a perspective on Radio's value as a marketing tool and as an advertising vehicle
- Examine trends in radio use and growth
- Demonstrate radio's strengths relative to other advertising media
- Orient professional sales, marketing or advertising people to the first electronic medium

Radio Facts, now in its 25th edition, is widely considered the definitive source for information about radio in the United States. The following sections describe the audiences, the reach, the widespread use and the comparative strengths of the medium. For additional copies of this book contact the Radio Advertising Bureau.

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Radio
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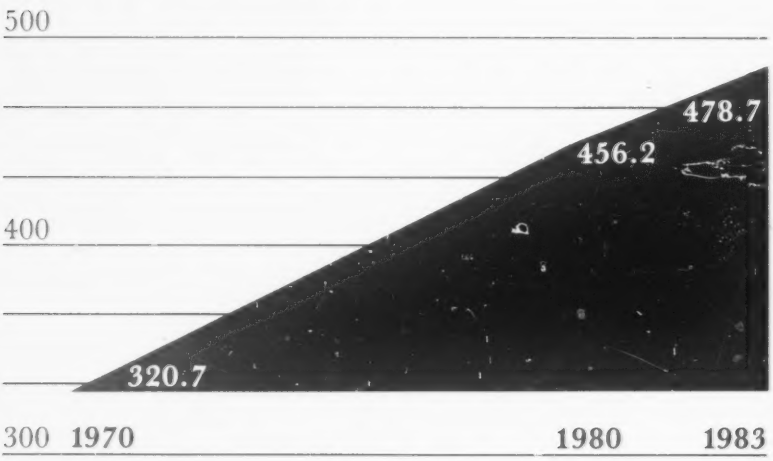
Radio
IS EVERYWHERE

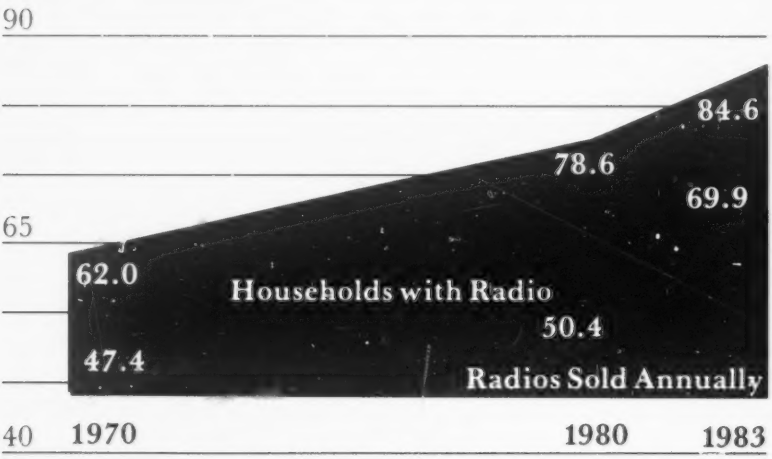
478.7 Million Radios In Use: (Up 5% Since 1980)

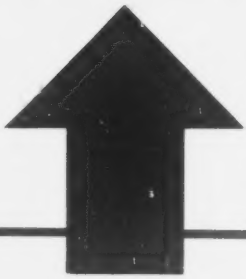
Growth Since 1970
(Millions)



Radio Sales Up 39% And Households With Radio Up 8% Since 1980

Growth Since 1970
(Millions)





Radio
IS IN EVERY HOME

The Ubiquitous Medium

5.5	radios per household
355	million radio sets operate in homes
99%	of all households have radios
$2.9	billion was spent on new radios in 1983
117	million battery-operated radios are in use
78%	of households have a battery-operated radio
26.9	million battery-operated radios were sold in 1983

Almost 1/2 Of All Rooms Have Radios. Radios Are Heard In:

67.0%	Living Rooms
58.4%	Bedrooms
49.8%	Kitchens
21.9%	Dens/Family Rooms
9.3%	Dining Rooms
7.2%	Bathrooms
38.4%	Other Rooms
41.0%	All Rooms (Avg.)

Radio
REACHES AMERICA

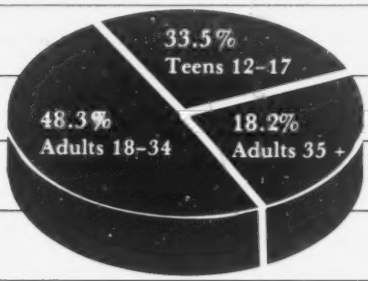
Radio Reaches 88% Of Americans At Home Every Week

	Persons 12 +	Men 18 +	Women 18 +	Teens 12–17
Total Day	88%	86%	88%	99%
6 AM-10 AM	74	68	76	85
10 AM-3 PM	62	55	66	74
3 PM-7 PM	60	53	60	86
7 PM-Mid.	54	51	51	81
Mid.-6 AM	36	35	34	46

Radio Reaches 12 Million People With Walk-Along Sets

- 75% of Walk-alongs include radios
- Walk-along owners spend 24% more time listening to the radio than before acquisition of set

Age Profile Of Walk-Along Owners



Sets In Use
Up 50%
Since 1982
(5.75 Million Sets Sold 1982–'83)

Radio
TRAVELS BY CAR

118.6 million car radios were in use in 1983

95% of all automobiles have radios

97% of all cars used for commuting have radios

85% of all car commuters are reached weekly by radio

99% of used cars have radios

98% of fleet and rental cars have radios

84% of inter-city travel is by car

80% of all adults have drivers' licenses

Workers, Shoppers & Diners Listen to Car Radio

		Driving Time Radio is on		
Adults who:	Use Car	Adults 18 +	Men 18 +	Women 18 +
Commute to work	90%	93%	93%	92%
Shop for groceries	90	85	85	85
Shop other retail	90	88	85	91
Dine out	88	84	79	88

Radio
REACHES CONSUMERS IN CARS

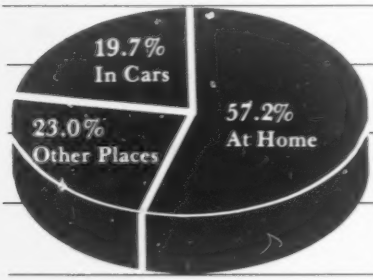
3 Out Of 4 Adults Are Reached Weekly By Radio In Their Cars

	Adults 18 +	Men 18 +	Women 18 +
Total Day	74%	80%	68%
6 AM-10 AM	50	58	42
10 AM-3 PM	53	58	49
3 PM-7 PM	53	64	52
7 PM-Mid.	37	40	33
Mid.-6 AM	14	20	9

Home, Enroute, At Work Radio Reaches Consumers

Percent of Listening Time By Location (Mon.-Sun., 24 hr.)

Persons 12 +



	At Home	In Cars	Other Places
Teens 12–17	73.7%	13.1%	13.2%
Men 18 +	45.9	25.8	28.3
Women 18 +	64.5	15.4	20.1

Radio
REACHES PEOPLE AT WORK

57% of adults have radio at work

83% of them listen at work

3:48 spent daily among those who listen at work

62% of professional/managerial men have radios at work and three-quarters listen

62% of full-time working women have radios at work and eight out of 10 listen

Percent Listening To Radio At Work

	Adults						Men	Women
	18 +	18-24	25-34	35-44	45-54	55 +	18 +	18 +
	83%	94%	85%	88%	79%	76%	84%	83%

81% $30,000 + Household Income

74% Prof./Managerial Men

84% Full-Time Working Women

84% Adults in Multi-Paycheck Households

73% College Graduate or more

83% Homeowners

82% Multiple Car Households

82% High Mileage Drivers

84% Major Credit Card Users

Radio
REACHES EVERYONE

Each Day (M-Su) Americans Listen To More Than Three Hours Of Radio

Daily Time Spent Listening

	ages 12 +	ages 12–17			
Persons	3:12	2:39			
	ages 18 +	ages 18–24	ages 25–34	ages 35–49	ages 50 +
Men	3:20	3:56	3:41	3:17	2:47
Women	3:12	3:39	3:15	3:21	3:53
	1–2 persons	3–4 persons	5 + persons		
Adults in HH of	3:08	3:19	3:26		

Weekday Radio Reaches 94.8% Of All American Adults and Teens Tuning In For An Average of 3½ Hrs. A Day (M-F)

R = Weekly Reach (Mon.-Fri., 24 Hrs.)
T = Average Daily Time Spent Listening

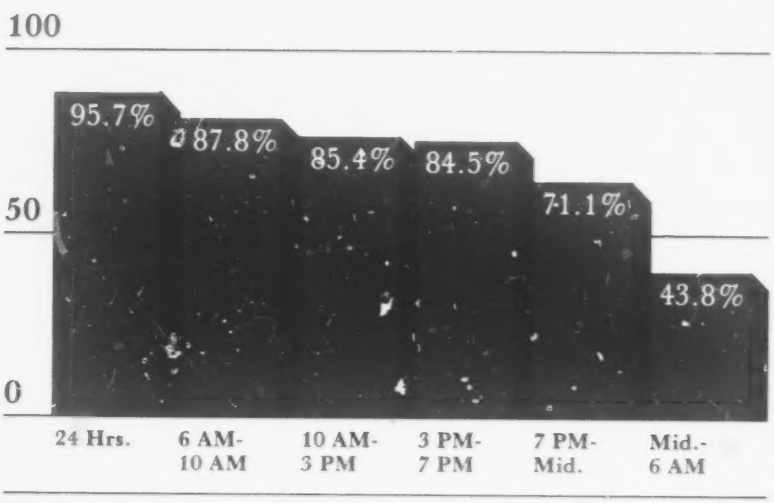
In Percent and Time

	ages 12 +	ages 12–17			
Persons	**R** 94.8 **T** 3:26	**R** 99.1 **T** 2:41			
	ages 18 +	ages 18–34	ages 18–49	ages 25–54	ages 35 +
Men	**R** 95.5 **T** 3:39	**R** 98.9 **T** 4:10	**R** 98.0 **T** 3:59	**R** 97.3 **T** 3:47	**R** 92.7 **T** 3:16
Women	**R** 93.1 **T** 3:25	**R** 98.1 **T** 3:41	**R** 97.3 **T** 3:41	**R** 96.1 **T** 3:35	**R** 89.7 **T** 3:14

Radio
WORKS THROUGHOUT THE DAY

Radio's Reach by Daypart in Percent

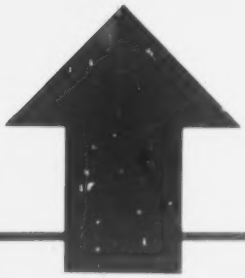
Persons 12 +
(Mon.-Sun.)



Reach By Daypart

(Mon.-Sun.)

	Men 18 +	Women 18 +	Teens 12-17
24 Hrs.	96.4%	94.0%	99.4%
6 AM-10 AM	89.0	85.8	91.6
10 AM-3 PM	85.5	84.3	87.2
3 PM-7 PM	85.5	81.2	94.1
7 PM-Mid.	71.5	66.6	88.0
Mid.-6 AM	46.7	39.3	51.8



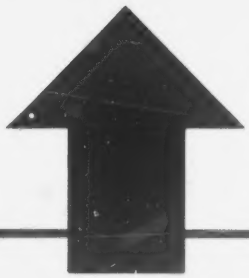
Radio
WORKS DAILY AND WEEKLY

During The Average Day Radio Reaches 80.7% Of All American Teens And Adults

	ages 12 +	ages 12-17			
Persons	80.7%	86.4%			
	ages 18 +	ages 18-24	ages 25-34	ages 35-49	ages 50 +
Men	82.1%	89.2%	86.6%	83.2%	73.7%
Women	78.1	88.3	81.6	80.8	69.7
	1-2 persons	3-4 persons	5 + persons		
Adults in HH of	77.3%	82.1%	81.7%		

In Each Week Radio Reaches 95.7% Of American Consumers

	ages 12 +	ages 12-17			
Persons	95.7%	99.4%			
	ages 18 +	ages 18-24	ages 25-34	ages 35-49	ages 50 +
Men	96.4%	98.8%	99.2%	97.3%	92.4%
Women	94.0	99.7	97.4	96.2	88.0
	1-2 persons	3-4 persons	5 + persons		
Adults in HH of	92.8%	97.2%	96.1%		



Radio
WORKS EVENINGS AND NIGHTS

3 Out Of 4 Americans Listen To Radio During Tv's Prime Hours

R = Evening Reach Mon.-Sun., 7 PM-Mid.
T = Weekly Time Spent Listening
In Percent and Time

	ages 12 +	ages 12-17			
Persons	**R** 71.1 **T** 5:00	**R** 88.0 **T** 5:49			
	ages 18 +	ages 18-34	ages 18-49	ages 25-54	ages 35 +
Men	**R** 71.5 **T** 5:06	**R** 84.3 **T** 5:39	**R** 79.5 **T** 5:12	**R** 73.7 **T** 4:30	**R** 61.8 **T** 4:32
Women	**R** 66.6 **T** 4:38	**R** 80.5 **T** 4:39	**R** 77.0 **T** 4:25	**R** 70.7 **T** 4:11	**R** 57.2 **T** 4:38

Evening listeners average 5 hours per week

Radio Reaches 43.8% After Midnight

R = Post-Mid. Reach Mon.-Sun., Mid.-6 AM
T = Weekly Time Spent Listening
In Percent and Time

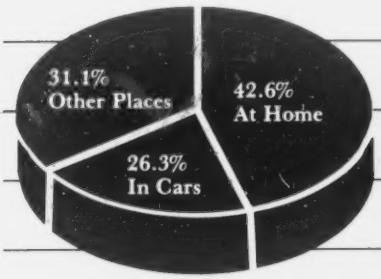
	ages 12 +	ages 12-17			
Persons	**R** 43.8 **T** 3:27	**R** 51.8 **T** 2:59			
	ages 18 +	ages 18-34	ages 18-49	ages 25-54	ages 35 +
Men	**R** 46.7 **T** 3:35	**R** 57.6 **T** 3:31	**R** 53.2 **T** 3:29	**R** 47.3 **T** 3:22	**R** 38.5 **T** 3:40
Women	**R** 39.3 **T** 3:27	**R** 45.5 **T** 3:07	**R** 44.2 **T** 3:08	**R** 41.5 **T** 3:06	**R** 35.1 **T** 3:44

Overnight listeners average 3 ½ hrs. per week

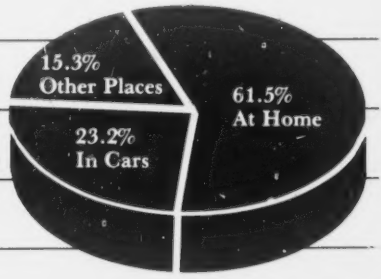
Radio
WORKS EVERYTIME EVERYWHERE

Total Radio Listening By Location (Mon.-Sun., 24 Hrs.)

Men 18 +

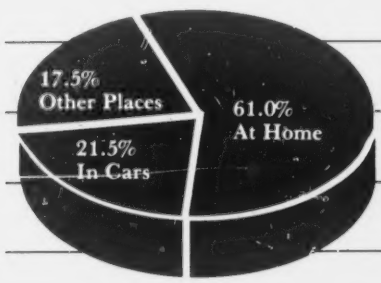


Women 18 +

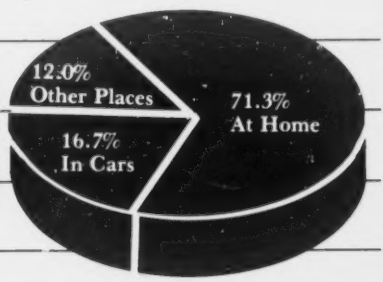


Evening Radio Listening By Location (Mon.-Sun., 7PM-Mid.)

Men 18 +

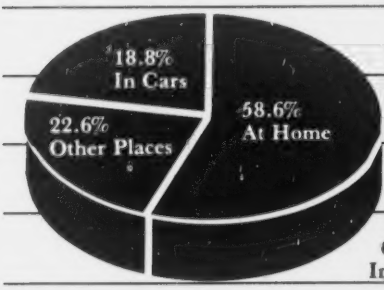


Women 18 +

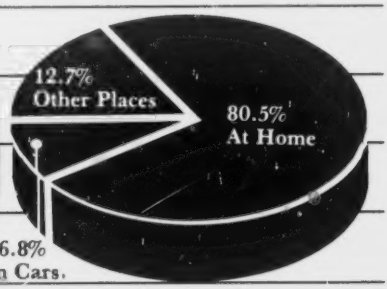


Overnight Radio Listening By Location (Mon.-Sun., Mid.-6 AM)

Men 18 +



Women 18 +



Radio
WORKS WEEKENDS

Weekend Radio Reaches 84.1%
Weekend Listening: 5 + Hours

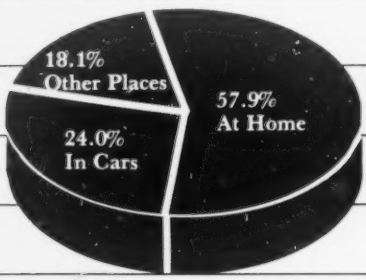
R = Weekend Reach Sat.-Sun., 24 Hrs.
T = Average Weekend Time Spent Listening

In Percent and Time

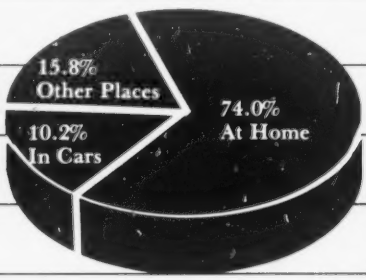
	ages 12 +	ages 12-17			
Persons	**R** 84.1 **T** 5:13	**R** 90.0 **T** 5:11			
	ages 18 +	ages 18-34	ages 18-49	ages 25-54	ages 35 +
Men	**R** 84.5 **T** 5:04	**R** 89.7 **T** 5:42	**R** 88.1 **T** 5:22	**R** 83.6 **T** 4:58	**R** 80.5 **T** 4:36
Women	**R** 82.2 **T** 5:21	**R** 88.7 **T** 5:31	**R** 86.3 **T** 5:22	**R** 83.8 **T** 5:23	**R** 77.9 **T** 5:14

Weekend Radio Listening By Location Sat.-Sun., 24 Hrs.

Men 18 +



Women 18 +

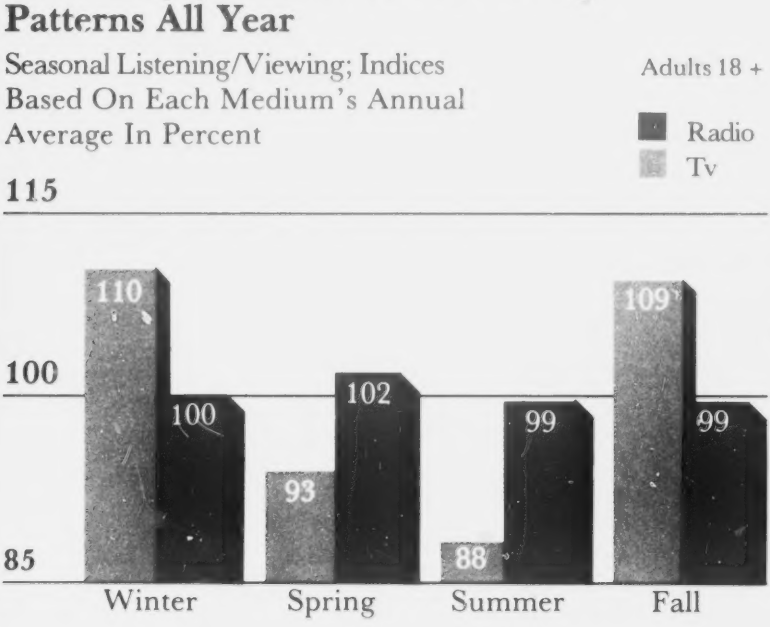


Radio
WORKS CONSISTENTLY ALL YEAR

Radio Enjoys Consistent Listening Patterns All Year

Seasonal Listening/Viewing; Indices Based On Each Medium's Annual Average In Percent

Adults 18 +



Summer And Winter, Radio Reaches Consumers At Home And Away

Radio Listening By Location/Daypart

Persons 12 +

	Summer		Winter	
	Home	Away	Home	Away
6 AM-Mid.	56.7%	43.3%	57.9%	42.1%
6-10 AM/3-7 PM	56.9	43.1	59.3	40.7
10 AM-3 PM	47.3	52.7	46.3	53.7
7 PM-Mid.	72.9	27.1	74.5	25.5

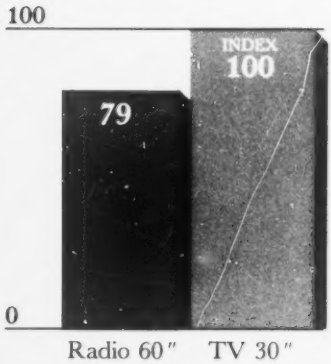
Radio
HAS IMMEDIATE IMPACT

First News Source: Morning and Midday

Morning (6 A-10 A)	Radio	Tv	Newspapers	Other	None
Persons 12 +	56%	21%	16%	1%	7%
Teens 12-17	56	23	13	—	7
Adults 18 +	56	20	16	1	7
Adults 18-34	62	19	12	1	6
Adults 25-54	57	18	18	1	6
College Grads	56	15	23	—	4
Prof./Mgr. Males	56	16	24	1	2
Working Women	66	20	10	1	4

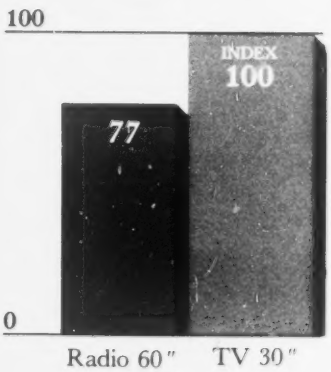
Midday (10 A-3 P)	Radio	Tv	Newspapers	Other	None
Persons 12 +	38%	23%	13%	2%	25%
Teens 12-17	24	22	22	2	30
Adults 18 +	40	23	12	2	24
Adults 18-34	50	20	12	2	17
Adults 25-54	41	18	13	2	27
College Grads	43	9	16	1	32
Prof./Mgr. Males	41	5	16	4	34
Working Women	40	18	13	2	27

Radio
IS INTRUSIVE



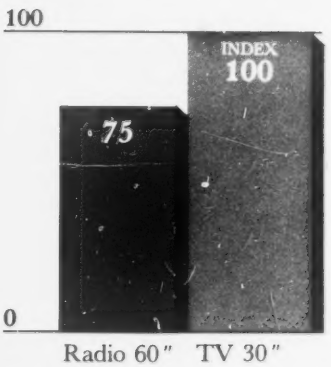
In Recall Tests Radio Commercials Score 79% Against Tv's Norm

Radio Recall Research measures 24-hour proven recall Respondent is exposed to prepared Radio program, including commercials at interviewing center in shopping mall. Index represents widely accepted 24-hour recall norms for Tv 30's of 24%. 1500 separate Radio tests.



Radio Scored 77% of Tv's Brand Awareness Norm

McCollum/Spielman & Company tests media impact on brand awareness using audiences assembled to test television programming. Radio commercial is played along with control commercial in special short Radio show. Awareness, motivation and attitude data are gathered after showing the Tv program. 200 Radio tests.



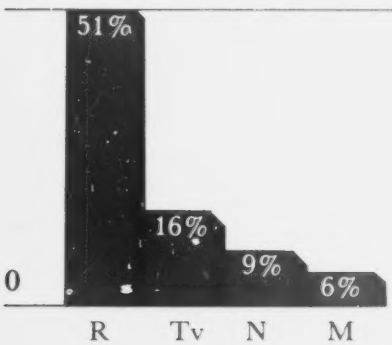
In Coupon-Redemption Tests Radio Delivered 75% of Tv's Impact

Teleresearch, Inc. tests coupon redemption at supermarkets and drug stores. Respondents are exposed to five non-competitive Radio commercials and given a booklet of cents-off coupons before entering store. Redemption index is developed by comparing test and control sample.

Radio
AFFECTS BUYING DECISIONS

Radio Reaches Consumers Closest To Largest Purchase Of Day

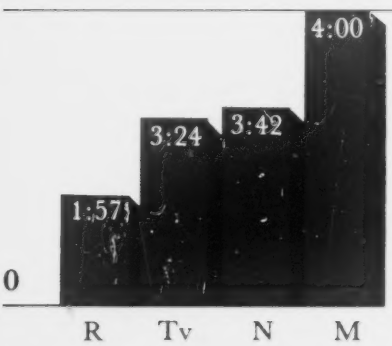
Percent Reached By Media Within One Hour Of Day's Largest Purchase



Adults 18 +

	Men	Women
Radio	51%	52%
Television	19	14
Newspapers	12	7
Magazines	8	4

Radio Reaches Consumers Closest To Purchase Time



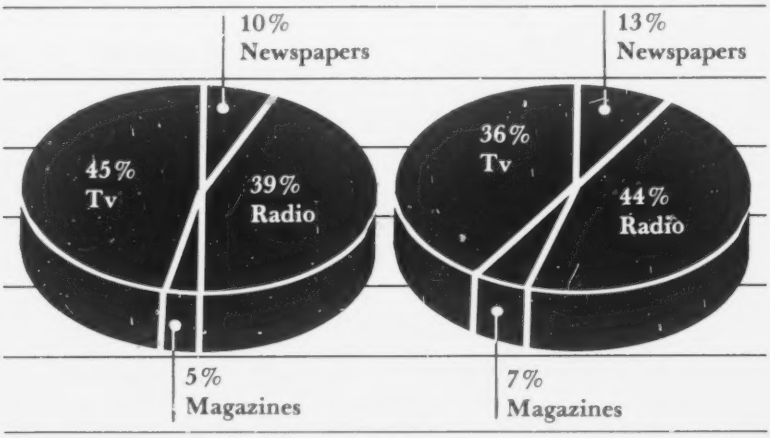
Adults 18 +

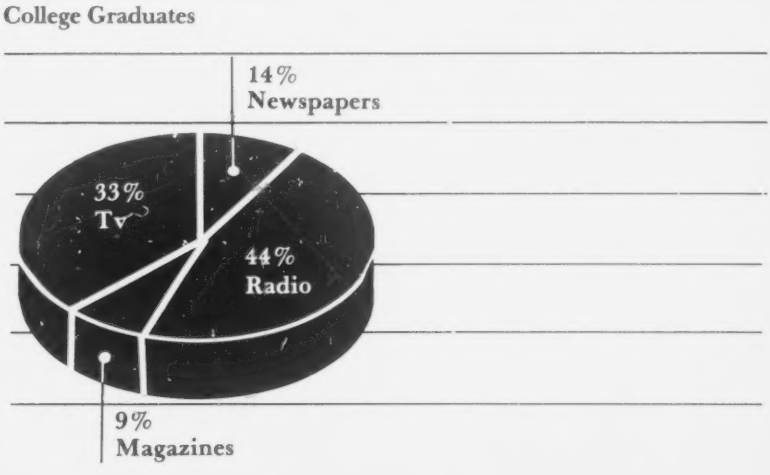
	Men	Women
Radio	1:54	2:00
Television	3:18	3:30
Newspapers	3:30	3:54
Magazines	3:54	4:06

Radio
TARGETS KEY DEMOGRAPHIC GROUPS

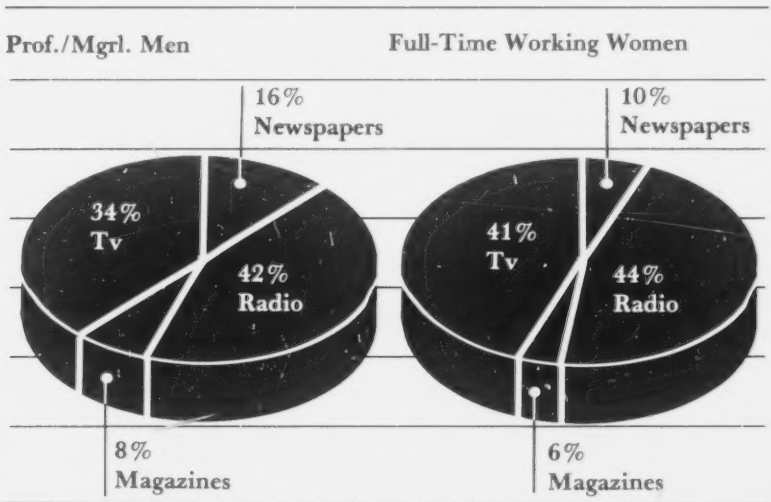
Radio Matches Tv's Reach and Targets Upscale Consumers Better

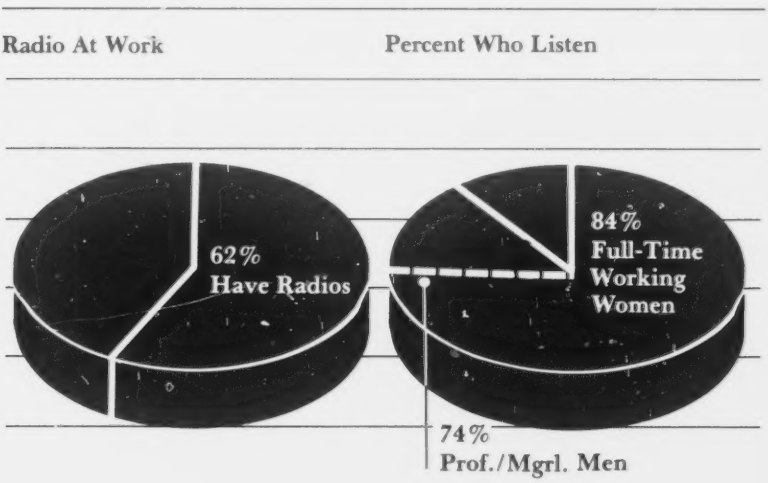
Share-Of-Time Spent Daily With Each Medium





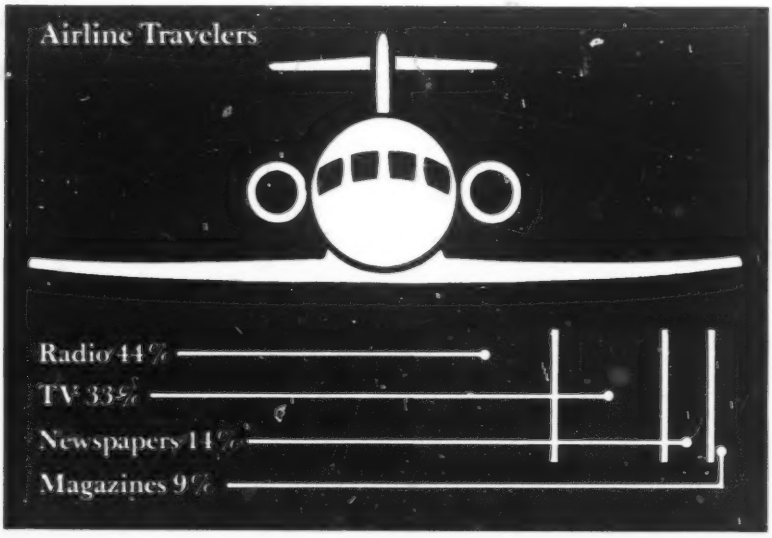
Prof./Mgrl. Men, Working Women Spend More Time With Radio

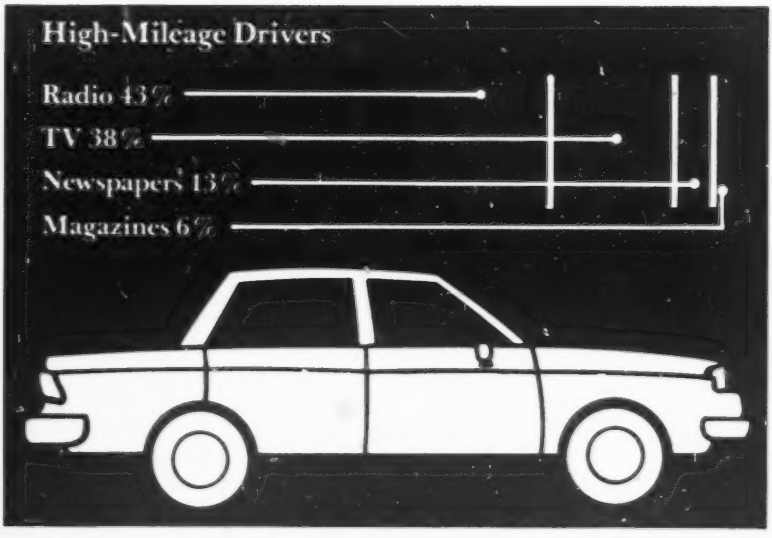


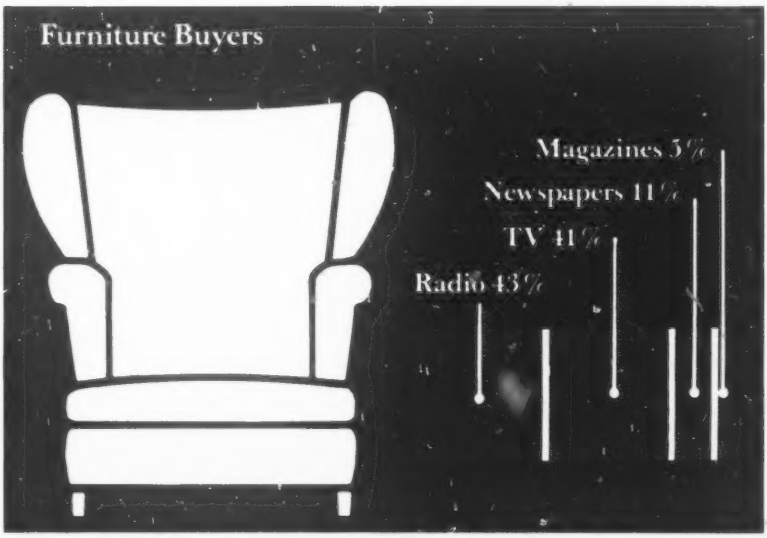


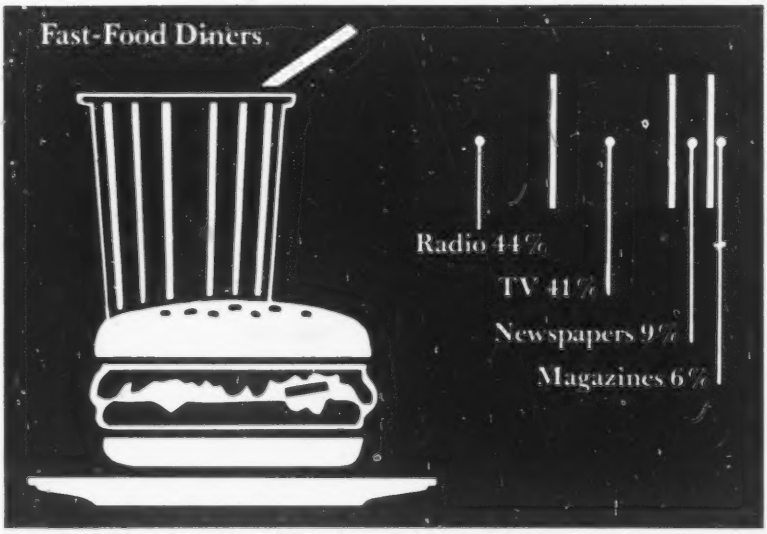
Radio
TARGETS PRIME PRODUCT USERS

Share-of-Time: Radio Leads Other Media Among Key Product Users





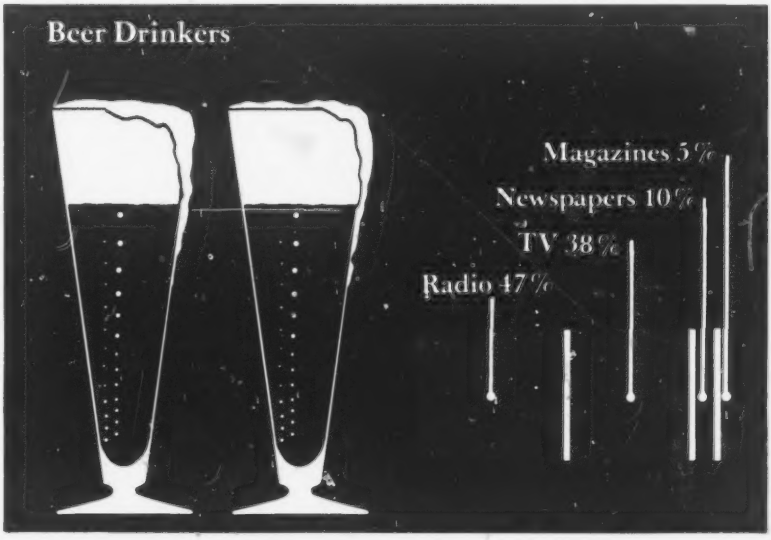


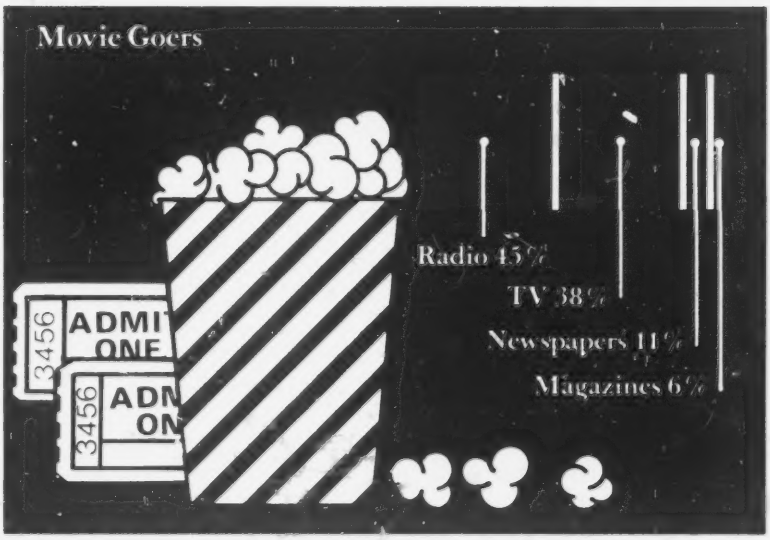


Share-of-Time based on Monday–Friday, 24 hours.

Radio
TARGETS PRIME PRODUCT USERS (Cont.)

Share-of-Time Data for many additional markets has been compiled in RAB's "Target Marketing And The Media" study. Ask RAB for a list.

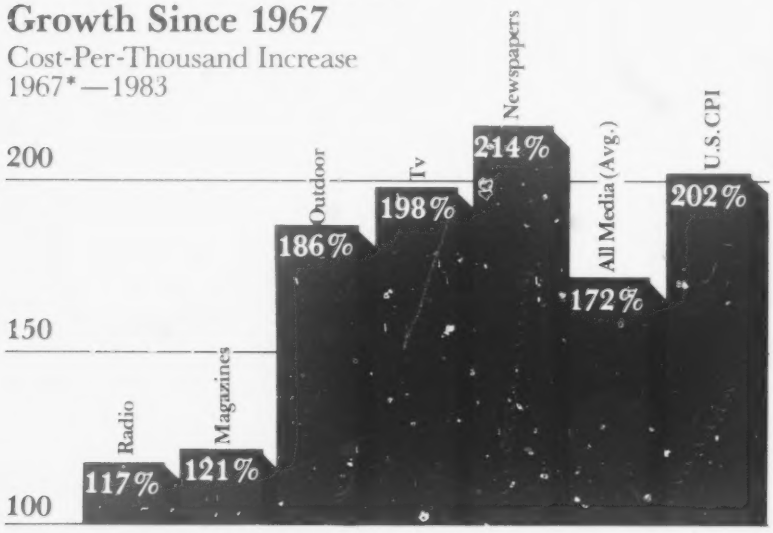




Radio
COMPETES WITH OTHER MEDIA

Radio Has Slowest Cost Growth Since 1967

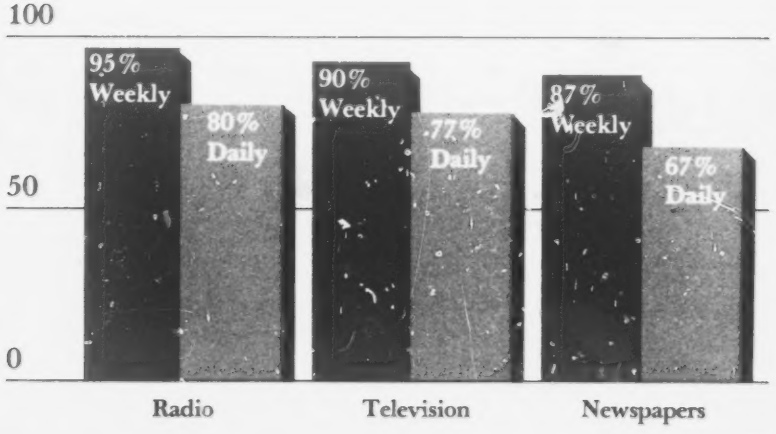
Cost-Per-Thousand Increase
1967*—1983



* 1967 is the base year for Consumer Price Index

Radio Outreaches Tv and Newspapers Daily And Weekly

Adults 18 +

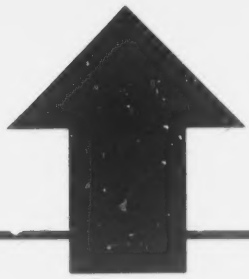


Radio
WORKS FOR ADVERTISERS

Top 25 Spot Radio Advertisers
1983 Expenditures

Millions Of $

1.	$40.675	Anheuser-Busch, Inc.
2.	29.079	General Motors Corp.
3.	27.949	American Telephone & Telegraph
4.	21.578	Coors, Adolph Brewing Co.
5.	19.214	Miller Brewing Co.
6.	16.651	Chrysler Corp.
7.	15.309	Delta Air Lines Inc.
8.	14.636	United Airlines
9.	14.603	Van Munching & Co. (Heineken)
10.	14.205	PepsiCo, Inc.
11.	12.993	Ford Motor Co.
12.	12.146	Southland Corp. (7-11 Stores)
13.	11.036	American Honda Motors
14.	10.917	Martlet Importers (Molson)
15.	10.881	Nissan Motors (Datsun)
16.	10.532	Stroh Brewing
17.	9.640	Pillsbury Co.
18.	9.218	Eastern Air Lines, Inc.
19.	8.919	Greyhound Corp.
20.	8.830	Ralston Purina Co.
21.	8.300	American Airlines, Inc.
22.	8.048	Coca-Cola Co.
23.	7.591	Bank of America
24.	6.927	Zayre Stores
25.	6.198	General Mills, Inc.

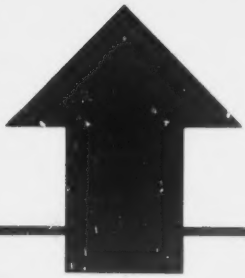


Radio
WORKS FOR ADVERTISERS

Top 25 Network Radio Advertisers
1983 Expenditures

Millions Of $

1.	$21.731	Jeffrey Martin, Inc.
2.	10.629	Sears, Roebuck & Co.
3.	9.648	Cotter & Co. (True Value Hardware)
4.	9.512	American Telephone & Telegraph Co.
5.	9.411	General Motors Corp.
6.	8.611	Dow Jones & Co.
7.	7.823	Warner-Lambert Co.
8.	7.429	Campbell Soup Co.
9.	7.186	Ford Motor Co.
10.	6.914	Anheuser-Busch, Inc.
11.	4.696	Nabisco Brands, Inc.
12.	3.888	American Home Products Corp.
13.	3.399	U. S. Government
14.	3.304	RCA Corp.
15.	3.161	Dart & Kraft, Inc.
16.	3.031	American Express Co.
17.	2.978	Hartz Mountain Industries, Inc.
18.	2.908	Wm. Wrigley Jr. Co.
19.	2.858	Chrysler Corp.
20.	2.830	Schering-Plough Corp.
21.	2.788	Purex Industries, Inc.
22.	2.692	Gillette Co.
23.	2.663	State Farm Insurance Co.
24.	2.660	A. G. Bayer
25.	2.636	Honda Motor Co. Ltd.



Radio
WORKS FOR ADVERTISERS

National Radio Advertisers Include All Major Business Categories 1983 Expenditures

Rank	Spot	Network	Spot And Network Combined
1. Food Products	16.4%	17.2%	16.6%
2. Beer, Ale Wine	14.5	4.4	12.0
3. Travel & Shipping	12.5	3.7	11.0
4. Consumer Services	9.9	13.0	10.5
5. Automotive	10.2	10.6	10.3
6. Cosmetics/Toiletries	2.5	10.5	3.9
7. Drugs/Proprietaries	1.3	11.9	3.1
8. Publications	1.4	9.7	2.8
9. Apparel	2.7	2.5	2.7
10. Gas & Oil	2.6	1.2	2.3
11. Soft Drinks	2.5	0.3	2.1
12. Agricultural	2.0	2.1	2.0
13. Records/Tapes/Audio/Tv's	1.4	2.6	1.6
14. Amusements	1.5	1.3	1.4
15. Sports Equip./Games/Toys	1.5	0.7	1.3
16. Home Furn/Appliances	1.1	1.7	1.2
17. Building/Hardware/Paint	1.1	1.4	1.2
18. Government	0.9	1.5	1.0
19. Religion	0.9	—	0.8
20. Soaps/Cleansers/Detergents	0.3	1.4	0.5
21. Confections	0.4	0.7	0.4
22. Pet Products	0.2	1.3	0.4
23. Medical and Dental	0.2	—	0.2
24. Cigars/Tobacco Products	0.2	—	0.2
25. Miscellaneous	11.8	0.3	9.8
	100.0%	100.0%	100.0%

Radio
THE ADVERTISER'S MEDIUM

Local Radio Advertisers Include A Wide Range Of Businesses Share of Expenditures

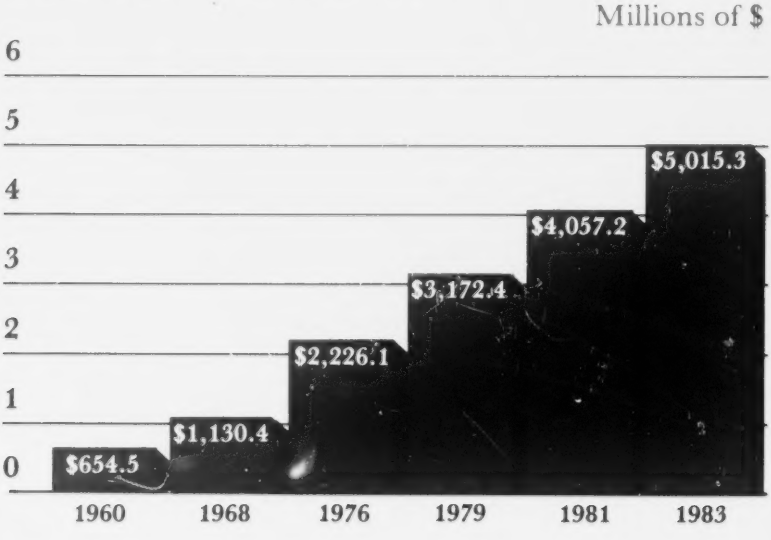
		Market Size:			
Rank	Total	1M +	250K-1M	50K-250K	Under 50K
1. Auto Dealers	10.7%	11.1%	11.2%	10.9%	10.2%
2. Dept. Stores	8.4	9.4	8.6	7.9	8.1
3. Banks	8.0	6.5	6.6	8.3	9.1
4. Clothing Stores	7.7	7.2	7.4	7.6	8.1
5. Restaurants	7.0	6.4	7.7	7.2	6.8
6. Supermarkets	6.7	6.4	6.0	5.3	8.1
7. Furniture Stores	6.4	4.7	6.6	6.2	7.3
8. Bottlers	5.9	6.0	6.5	6.9	4.9
9. Appliance Stores	4.9	3.5	5.2	5.0	5.2
10. Savings & Loans	4.2	5.0	3.6	4.4	3.9
11. Shopping Centers	3.3	4.2	3.6	3.8	2.4
12. Jewelers	3.3	3.2	3.1	3.6	3.3
13. Theaters	3.3	6.7	4.1	3.1	1.4
14. Lumber Dealers	2.8	1.0	1.9	3.0	4.0
15. TBA Stores	2.8	2.9	3.3	2.6	2.6
16. Drug Stores	2.5	2.2	1.6	2.3	3.4
17. Shoe Stores	2.0	1.2	1.8	2.1	2.3
18. Entertainment	1.7	2.6	2.5	1.8	0.7
19. Agricultural	1.3	0.1	0.7	1.6	1.9
20. Stereo/Record Stores	1.2	2.8	2.0	1.0	0.2
21. Other Financial	1.2	1.5	1.0	1.1	1.1
22. Religion	0.6	0.2	1.3	0.7	0.3
23. Real Estate	0.5	0.8	0.2	0.6	0.5
24. All Others	3.6	4.4	3.5	3.0	4.2
	100.0%	100.0%	100.0%	100.0%	100.0%

Radio
IS WORKING

Radio's Revenues Are Steadily Growing

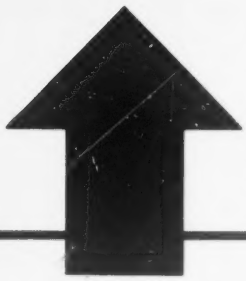
Year	Spot (Millions$)	Local (Millions$)	Network (Millions$)	Total (Millions$)
1983	1,022.8	3,739.0	253.5	5,015.3
1982	909.4	3,365.0	217.5	4,491.9
1981	354.3	3,007.0	195.9	4,057.2
1980	746.2	2,642.9	157.9	3,547.0
1979	637.3	2,396.6	138.5	3,172.4

Radio's Revenues Have Grown Dramatically Since 1960



Radio
ACRONYMS

AAAA	American Association of Advertising Agencies
AAF	American Advertising Federation, Inc.
ADI	Area of Dominant Influence
AFTRA	American Federation of Television and Radio Artists
ANA	Association of National Advertisers
ANPA	American Newspaper Publishers Association
ASCAP	American Society of Composers, Authors, and Publishers
AWRT	American Women in Radio and Television
BFM	Broadcast Financial Management Association
BMI	Broadcast Music, Inc.
BPA	Broadcast Promotion Association
BROADCAP	Broadcast Capital Fund, Inc.
DMA	Designated Market Area
EMRC	Electronic Media Rating Council
FCC	Federal Communications Commission
IRTS	International Radio and Television Society, Inc.
MSA	Metropolitan Statistical Area
NAB	National Association of Broadcasters
NRBA	National Radio Broadcasters Association
RAB	Radio Advertising Bureau
RTNDA	Radio and Television News Directors Association
SRA	Station Representatives Association, Inc.



Radio
STATIONS

There are 4,740 commercial AM stations and 3,551 commercial FM stations licensed by the Federal Communications Commission operating in the United States in 1984. 1,140 non-commercial stations can also be found, primarily on the FM dial.

A programming format usually defines the kind of audience attracted to a particular radio station. The following formats are in use:

How AM/FM stations program by format

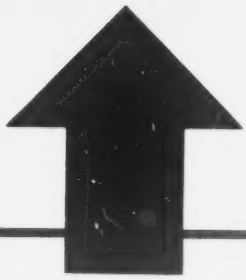
Percent of AM, FM stations programming each format

	AM	FM
Adult contemporary	22.5%	18.0%
Rock/CHR/Top 40	5.2	19.1
Country	18.7	16.4
Easy listening/Beautiful music	1.6	13.4
Album oriented rock (AOR)	0.6	12.9
Black/rhythm	5.3	4.2
News/talk	8.8	0.4
MOR/nostalgia	15.0	3.3
All news	3.9	0.0
Spanish	3.1	0.6
Urban contemporary	0.9	1.8
Classical	1.0	2.3
Religious	7.6	3.2
Golden oldies	3.6	0.9
Soft rock	0.6	2.2

Radio
FORMAT SCORECARD

Stations per format

Format	Number of stations	% of total
Country	2,233	27.7
Adult contemporary	1,933	23.9
Top 40/Rock/CHR	809	10.0
Nostalgia/MOR	687	8.5
Beautiful music/Easy listening	524	6.5
Religious	510	6.3
AOR	294	3.7
Black R&B	207	2.6
Golden oldies	173	2.1
Diversified	155	1.9
News/talk	135	1.7
Spanish	126	1.6
Soft rock	83	1.0
Classical	58	0.7
All news	48	0.6
Ethnic	43	0.5
Urban contemporary	37	0.4
Jazz	19	0.3
Total	**8,071**	**100.0**



Radio
AM FACTS

Year	Set Sales (millions)	Stations On Air	Ad Volume (millions)	AM Share of Radio Ad Volume
1983	6.721	4,733	$2,615.3	52.1%
1982	6.936	4,668	2,533.6	56.4
1981	8.939	4,634	2,470.4	60.9
1980	8.211	4,589	2,330.0	63.5

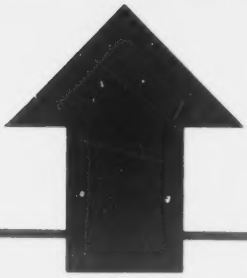
4,740 commercial radio stations broadcast on the AM band between 540–1600 kilohertz (kHz). Their positions on the dial are based on frequencies assigned by the FCC. A growing number, as many as 300 in 1984, broadcast in AM stereo.

AM Auto Radio Sales

	AM-Only	AM/FM	% Total Cars
1983	1,513,000	10,568,000	95%
1982	1,882,000	10,424,000	95
1981	2,598,000	10,285,000	95
1980	2,575,000	7,017,000	95

AM Commerical Loads

	1982	1983	Change
Average Commercial Mins/Hr:	11:00	10:11	-0:49
Average Commercial Spots/Hr:	15.0	14.2	-0.8
Average Newscast Length:	5:25	4:47	-0:38



Radio
FM FACTS

Year	Set Sales (millions)	Stations On Air	Ad Volume (millions)	FM Share of Radio Ad Volume
1983	63.189	3,527	$2,400.0	47.9%
1982	53.367	3,380	1,958.9	43.6
1981	48.707	3,349	1,586.8	39.1
1980	42.147	3,282	1,216.1	36.5

3,551 commercial radio stations broadcast on the FM band between 87.5 and 109.5 megahertz (mHz). Many FM stations, approximately 1,800 in 1984, broadcast in stereo.

Growth of FM Auto Radio Sales

	Total Sales	% Total Cars
1983	10,568,000	70%
1982	10,424,000	68
1981	10,285,000	64
1980	7,017,000	59

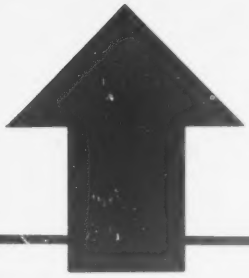
FM Commercial Loads

	1982	1983	Change
Average Commercial Mins/Hr:	10:00	9:25	-0:35
Average Commercial Spots/Hr:	12.7	12.4	-0.3
Average Newscast Length:	4:30	4:00	-0:30

Radio
A THUMBNAIL HISTORY

1895	Guglielmo Marconi sends wireless messages on family estate.
1899	Marconi forms American Marconi and demonstrates Radio for army and navy.
1900	Weather Bureau employs Reginald Fessenden to test use of wireless.
1901	Marconi spans Atlantic Ocean with the letter "S" in Morse Code.
1904	DeForest demonstrates wireless at St. Louis World's Fair.
1907	DeForest Radio Telephone Company begins broadcast in New York.
1912	Broadcasting licenses required by new law.
1913	Edwin H. Armstrong develops feedback circuit.
1916	DeForest broadcasts music and election returns in New York.
	David Sarnoff urges American Marconi to market a Radio music box.
1920	Amateur stations start broadcasting in many parts of United States.
1922	More than 500 broadcast stations licensed during the year.
1922	First Washington Radio Conference.
1923	Opening of Congress broadcast for first time.
1924	Broadcasts of political conventions spur Radio set sales.
1925	Department of Commerce halts licensing, permits station sales. A traffic in licenses develops.
	Sale of Radio time becomes popular.
	National Radio Networks begun.

1927	Radio Act of 1927 is passed. Federal Radio Commission is subsequently formed.
1930	Collapse of vaudeville brings Radio vaudeville era.
1933	Banking crisis leads to first Fireside Chat.
	Edwin Armstrong demonstrates FM for RCA executives.
1934	Communications Act of 1934 is passed.
1938	FCC starts study of chain broadcasting.
1939	Armstrong completes FM station in Alpine, New Jersey.
1942	Manufacture of Radio receivers halted due to war.
	United States takes over short-wave stations.
	Armed Forces Radio Service formed.
	Advertising costs ruled tax-deductible.
1943	U.S. Supreme Court upholds chain rules.
1944	Disc jockey programming becomes popular.
1945	Radio set manufacture begins again.
1946	Tape recorders bring changes in programming and production.
1948	33⅓ and 45 rpm records become popular.
1951	Radio Advertising Bureau established.
1952	FCC lifts "freeze" and process license applications.
1961	FM stereo authorized by FCC.
1979	"Seven-dirty-words" case decided.
1981	U.S. Supreme Court upholds FCC decision to not interfere with Radio stations' program format decisions.
	FCC adopts Radio Deregulation Decision.
1982	AM stereo authorized.



Radio
GLOSSARY

Key Terms And Formulas

A wealth of terminology has come to describe the many dimensions of Radio audience research. As new buying and planning techniques are developed, new terms are added to the vocabulary and even established terms take on new meanings. To help you understand and use today's language of Radio audience research, RAB has prepared this brief guide.

Audience Research Terms

Average Quarter-Hour Audience (AQH Persons) An average of the number of people listening for at least five minutes in each quarter-hour over a specified period of time. In modern Radio average quarter-hour measurement should be considered a measure of Total Time Spent Listening (see below).

Average Quarter-Hour Rating (AQH Rating) Average Quarter-Hour Audience expressed as a percentage of the population being measured.*

AQH PERSONS ÷ POPULATION = AQH RATING

Share Of Audience (Share) The percentage of those listening to Radio in the AQH that are listening to a particular station.

AQH PERSONS/ONE STATION ÷ AQH PERSONS/RADIO = SHARE

Because the AQH actually reflects Total Time Spent Listening, Share Of Audience is the share of Total Time Spent Listening to Radio.

Cumulative Audience (Cume Persons) Also called Unduplicated Audience, it is the number of different people listening at least five minutes during a specified period of time. Cume Audience is the potential group that can be exposed to advertising on a radio station, just as readership is the potential exposure group for a magazine or newspaper.

Cumulative Rating (Cume Rating) Cumulative Audience expressed as a percentage of the population being measured.*

CUME PERSONS ÷ POPULATION = CUME RATING

Total Time Spent Listening (TTSL) The number of quarter-hours of listening to Radio or to a station by the population group being measured.*

AQH PERSONS × QUARTER-HOURS IN TIME PERIOD = TTSL IN QUARTER HOURS)

Average Time Spent Listening (TSL) The time spent listening by the average person who listens to Radio or to a station.

TTSL ÷ CUME PERSONS = TSL

Average Time Spent Listening is an indicator of audience availability to advertising messages. The more time spent listening, the greater opportunity for exposure and ability to develop frequency.

Audience Turnover (T/O) The number of times the Average Quarter-Hour Audience is replaced by new listeners in a specified period of time. Audience Turnover is also the number of announcements required to reach approximately 50% of the station's Cumulative Audience in the time period.

CUME PERSONS ÷ AQH PERSONS = T/O

* The population being measured can be all people or any demographic group.

Schedule Measurement Terms

Reach The number of different people who are exposed to a schedule of announcements, i.e., those listening during a quarter-hour when announcements are aired.

Reach can also be expressed as a Rating (percentage of the population being measured)

PERSONS REACHED ÷ POPULATION = REACH RATING

Radio
GLOSSARY (Cont.)

Gross Impressions The total number of exposures to a schedule of announcements. Not a measure of the number of different people exposed to a commercial.

AQH PERSONS × NUMBER OF ANNOUNCEMENTS = GROSS IMPRESSIONS

Frequency The average number of times the audience reached by an advertising schedule (those listening during a quarter-hour when an announcement is aired) is exposed to a commercial.

GROSS IMPRESSIONS ÷ REACH = FREQUENCY

Gross Rating Points (GRPs) Gross Impressions expressed as a percentage of the population being measured.* One Rating Point equals one percent of the population.

GROSS IMPRESSIONS ÷ POPULATION = GRPs

It can also be derived by combining AQH Ratings:

AQH RATING × NUMBER OF ANNOUNCEMENTS = GRPs

Cost Per Thousand (CPM) The basic term to express Radio's unit cost. It establishes 1000 as the basic unit for comparing Radio values. Most frequently used to compare the cost of 1000 Gross Impressions on different stations, it also used to compare the cost of reaching 1000 people.

$$\frac{\text{SCHEDULE COST}}{\text{GROSS IMPRESSIONS (IN THOUSANDS)}} = \text{CPM}$$

Cost Per Rating Point (CPP) An expression of Radio's unit cost using a Rating Point, which is one percent of the population being measured*. Cost Per Rating Point is often used for planning Radio in conjunction with GRPs.

$$\frac{\text{SCHEDULE COST}}{\text{GROSS RATING POINTS}} = \text{CPP}$$

Reach/Frequency Evaluations

Reach/Frequency Formulas There are three factors in any Reach/Frequency formula: 1) Reach, 2) Frequency and 3) GRPs. Their relationship is expressed in these formulas, with any two factors predicting the third:

REACH × FREQUENCY = GRPs
GRPs ÷ FREQUENCY = REACH
GRPs ÷ REACH = FREQUENCY

Example: If 100 GRPs are purchased and the advertiser has determined a 4 Frequency is necessary, the Reach will be 25. These formulas make Radio planning extremely flexible.

Effective Frequency The minimum level of frequency—number of exposures—determined to be effective in achieving the goals of an advertising campaign (e.g., awareness, recall, sales, etc.). This level will vary with individual products or services and the marketing objectives of the campaign.

Frequency Distribution A tabulation separating those reached by a schedule, according to their minimum levels of exposure: 2 or more times, 3 or more times, 4 or more times, etc.

Effective Reach The number of people reached by a schedule at the pre-determined level of Effective Frequency.

Effective Rating Points (ERPs) Effective Reach expressed as a percentage of the population being measured.*

EFFECTIVE REACH ÷ POPULATION = ERPs

Radio
SOURCE APPENDIX

4 Radios In Use: RAB estimate based on Electronic Industries Association (EIA) set sales. Households With Radio: RAB projection based on U.S. Census Bureau HH count (year-end). Radios Sold Annually: EIA.

5 5.5 Radios Per HH: RADAR, Summer 1980 survey. 355 Million In Homes: RAB projection from RADAR, Summer 1980 survey, updated to year-end 1983. 99% of HH's Have Radios: RADAR, Summer 1980. $2.9 billion spent: RAB estimate based on EIA set sales figures and Merchandising Magazine retail price averages. 117 Million Battery-Operated: RAB projection from RADAR, Summer 1980, updated to year-end 1983. 78% of HH's Have: EIA, 1980. 26.9 Million Sold: EIA, 1983. Rooms With Radio: RADAR, Summer 1980 survey.

6 At-Home Reach: RADAR, Fall 1983 report* Walk-Along Sets: 12 Million count: RAB estimate based on R.H. Bruskin Target Marketing & The Media, Spring 1982, updated by set sales for 1982-83 from Merchandising Magazine. Other Walk-along data: R.H. Bruskin**.

7 118.6 Million Car Radios: RAB estimate based on total cars in use (SRDS) year-end 1983. 95% have Radios, 97% of ars for commuting, 85% of commuters reached: Bruskin. 99% of Used Cars: Hertz Corp, 1979. 98% of fleet cars: Nat'l. Ass'n. of Fleet Administrators, 1980. 84% of inter-city travel: U.S. Dep't. of Transportation, 1981. 80% have driver's licenses: Simmons Market Research Bureau, 1982. Other Data on page: Bruskin.

8-15 All Data: RADAR.

16 Seasonal Data: Radio-Average of Arbitron, 11 markets measured four times a year in 1983.

Tv-Average of Feb.-May-Juiy-Nov. 1983 Nielsen NAD reports from TvB. Both based on adults 18 +, 24 hours, time-spent-listening. Radio by Daypart/Location: Average of Arbitron, 11 markets measured four times a year in 1983.

17 All Data: Bruskin.

18 Radio Recall Research, through Dec. 1981. McCollum-Spielman & Company, through 1981. Teleresearch, Inc., 1978.

19–24 All Data: Bruskin.

25 CPM Index: McCann-Erickson (media); U.S. Bureau of Labor Statistics (CPI). Network and Spot Broadcast Media averaged by RAB Research Dep't. Daily and Weekly Reach: Radio-RADAR; Tv-Nielsen, Persons Using Tv Report, Feb. 1982 from TvB; Newspapers-Simmons Market Research Bureau, 1982 (daily), Newspaper Adv. Bureau estimate based on Simmons (weekly).

26 All Data: Radio Expenditures Reports, 1983.

27 All Data: Leading National Advertisers, 1983.

28 Spot: RER, 1983; Network-LNA, 1983. Combined rankings by RAB Research Dep't.

29 RAB member survey, 1980.

30 1981–1983: RAB estimates based on RER, Radio Network Ass'n., RAB Local Business Barometer, NAB Radio Financial Reports. 1980 and before: FCC.

32 Stations: FCC, Feb. 1984. Formats: Arbitron, Fall 1983, top 100 markets.

Radio
SOURCE APPENDIX (Cont.)

33 Radio Information Center, July 1983 (published in Broadcasting Magazine, Aug. 29, 1983).

34 Set Sales: EIA. Stations: FCC. Ad Volume and Share: 1980: FCC; 1981-83: RAB estimates based on RAB Business Barometer and NAB Radio Financial Reports. Auto Radio Sales: EIA. Commercial-Newscast Activity: NRBA Radio Programming Survey, 1983.

35 Set Sales: EIA. Stations: FCC. Ad Volume and Share: 1980: FCC; 1981-83: RAB estimates based on RAB Business Barometer and NAB Radio Financial Reports. 74% of Sets With FM: RADAR, Summer 1980. 360 Million FM Sets; 95% of households have at least one FM Set: RAB projection based on RADAR, updated by EIA set sales data through 1983. FM Stereo: FCC. Auto Radio Sales: EIA. 70% of autos with FM: RAB Projection based on Bruskin, 1982 (68%) updated to year-end 1983. 1980: RADAR; 1981: RAB estimate. Commercial-Newscast Activity: NRBA Radio Programming Survey, 1983.

36–37 NAB Radio Department.

38–41 Compiled by RAB Research Dep't. from various directories and other sources.

* RADAR, Fall 1983 unless otherwise noted. © 1983 Statistical Research, Inc. Used by Permission.

** R.H. Bruskin data from Spring 1982 "Target Marketing and the Media" study. Further information available from RAB.